

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BAKERSFIELD FIELD OFFICE
DECISION RECORD**

**September 8, 2010 Oil and Gas Competitive Lease Sale
Environmental Assessment #DOI-BLM-CA-C060-2010-0092-EA**

Introduction

There is a need for providing the federal mineral estate for oil and gas development. This action is intended to meet the responsibilities of the Bureau of Land Management (BLM) under the Mineral Leasing Act of 1920, and the Federal Onshore Oil and Gas Leasing Reform Act of 1987 (Reform Act) to conduct competitive oil and gas lease auctions within the State of California.

The Reform Act of 1987 directs the BLM to conduct quarterly oil and gas lease auctions whenever eligible lands are available for leasing. The Bakersfield Field Office is complying with this Act by offering lands based on expressions of interest submitted by the public.

Decision

It is my decision to offer for competitive oil and gas lease auction 20 parcels encompassing 4,205.19 acres of federal mineral estate in Kern County, California, as described in Environmental Assessment number DOI-BLM-CA-C060-2010-0092 (July 23, 2010). Approximately 80 acres are public surface with Federal mineral estate and approximately 4,125.19 acres are split estate (private surface with Federal subsurface minerals). Special leasing stipulations that protect both threatened and endangered and sensitive species and their habitat are incorporated in the proposed action. I have determined that additional mitigation is not required.

Alternatives Considered but not Selected: Three other alternatives were considered. Two of these alternatives were considered but not analyzed: (1) Exchange or Sale of the proposed parcels in lieu of leasing the mineral estate, which was not analyzed because the process of either is very lengthy and time consuming, therefore, it does not meet the purpose and need of this project and (2) leasing the total 6,273.08 acres originally submitted under expressions of interest, this was not analyzed because 2,267.89 acres are within the California condor range. These acres are being deferred until after the completion of the Bakersfield Resource Management Plan/EIS, and a Biological Opinion for the Bakersfield RMP has been issued.

No Action: The proposed parcels would not be offered for competitive oil and gas lease auction. BLM would not meet the requirement to offer lands available for oil and gas auction under the Reform Act of 1987 and the Energy Policy Act of August 5, 2005, Section 362(a)(1).

Decision Rationale

The BLM has been mandated by Congress and the President to manage public lands for multiple uses. One of these legitimate uses is energy production. This action is the only alternative analyzed in detail that allows 20 parcels encompassing 4,205.19 acres of land within the Bakersfield Field Office to be offered for competitive oil and gas lease auction allowing the BLM to comply with national directives regarding oil and gas leasing. These lands were previously identified as being available for lease in the Caliente Resource Management Plan (RMP) 1997, which was prepared with extensive public involvement. Restrictive stipulations designed to protect sensitive resources were identified at that time. This action is in conformance with the Caliente RMP, which was analyzed in an environmental impact statement.

The Bakersfield Field Office has a proven track record of balancing energy production with other uses, including wildlife habitat and the protection of cultural resources. The parcels to be included in this lease auction have been reviewed for the presence of wildlife habitat, including critical habitat for listed species, as well as the presence or potential for cultural resources. I believe these resource values will be protected through the implementation of the stipulations to be included in the oil and gas offer to lease document.

While it is likely that all parcels will be leased, the environmental assessment forecasts that only a small portion of leased parcels will ever be developed. In addition, the disturbance from any development that does occur is projected to cover only a small part of a given parcel. Based on the historic level of activity on new federal leases within the last 10 years, BLM projects that up to one well will be drilled on lands proposed for leasing in this action, with no more than one acre of disturbance. This environmental assessment takes a hard look at the type and extent of the impacts that can be expected, and how they might affect critical resources. In the future when specific development proposals are received, they will be evaluated via subsequent site specific environmental analyses and documented consistent with the NEPA. Although a lessee has the right to develop a lease, BLM retains the authority to require proposals to be relocated or redesigned in such a way as to protect sensitive resources.

Consultation and Coordination

Although the parcels proposed for leasing include habitat for the San Joaquin Valley Federally listed species, these parcels are within the “reasonably foreseeable development” scenario analyzed in the Caliente RMP (1997) and, therefore, the potential impacts of this action were analyzed in that EIS and its associated Biological Opinion by USFWS.

Public Involvement

The EA was made available for 30-day public review and comment on May 25, 2010. The public was notified of the availability of the environmental assessment via letters, press release, and notices on BLM web pages.

BLM received two comments to the EA within the legal 30-day timeframe. One comment had no substance. The second comment has concern with lease development resulting in scenic degradation or biota damage within Parcels 1 and 2.

The following is our response to the second comment:

All development will implement Best Management Practices for Visual Resource Management in oil and gas development.

There will be no direct effects to biological resources from offering the parcels for lease. If a parcel is leased and developed, there could be indirect effects to biological resources from offering the parcels for lease.

All future proposals for development would be subject to site-specific analysis under NEPA and ESA review; Conditions of Approval that minimize resource effects will be developed at that time.

In addition, other edits and clerical corrections were made in the EA.

Plan Consistency

Based on information in the EA, the project record, and recommendations from BLM specialists, I conclude that this decision is consistent with the Caliente RMP (1997); the Endangered Species Act; the Native American Religious Freedom Act; other cultural resource management laws and regulations; Executive Order 12898 regarding Environmental Justice; and Executive Order 13212 regarding potential adverse impacts to energy development, production, supply and/or distribution.

Administrative Remedies

Administrative remedies may be available to those who believe they will be adversely affected by this decision. Appeals may be made to the Office of Hearings and Appeals, Office of the Secretary, U.S. Department of Interior, Board of Land Appeals (Board) in strict compliance with the regulations in 43 CFR Part 4. Notices of appeal must be filed in this office within 30 days after publication of this decision. If a notice of appeal does not include a statement of reasons, such statement must be filed with this office and the Board within 30 days after the notice of appeal is filed. The notice of appeal and any statement of reasons, written arguments, or briefs must also be served upon the Regional Solicitor, U.S. Department of the Interior Office of the Solicitor, Pacific Southwest Region, 2800 Cottage Way, Room E-2753 Sacramento, CA 95825-1890.

The effective date of this decision (and the date initiating the appeal period) will be the date this notice of decision is posted on BLM's internet website.

/S/ John Skibinski, Acting for,
Timothy Z. Smith
Bakersfield Field Office Manager

7/23/2010
Date